Corporate Offices 854 E. Chicago Road • PO. Box 37 Quincy, Michigari 49082-0037 Telephone: (517) 639-8787

FAX, (517) 639-4309



## CROTTY CORPORATION

Manufacturers of Automotive Sun Visors, Trim Materials and Die Cut Gaskets

NOTICE

Mr. James Houck, Director

Workforce Transition Unit

Michigan Dept. of Career Development

Workforce Programs

Victor Office Center - 5<sup>th</sup> Floor 201 North Washington Square Lansing, Michigan 48913

AUG 2 3 2005

RECEIVED

RAPID RESPONSE WORKFORCE PROGRAMS

FROM: DATE:

Willard Crotty III August 22, 2005

RE:

TO:

Conditional Notice of Facility Closing Pursuant to the Worker Adjustment and

Retraining Notification Act of 1988 ("WARN")

This notice is being given to you under the Worker Adjustment and Retraining Notification Act of 1988 ("WARN"). WARN requires employers to give official notice to certain governmental units or officials of a pending plant closing or mass layoff.

As you may be aware, Crotty Corporation has been in business in Michigan for over 50 years. Due to the ongoing depressed conditions in the automotive market and the anticipated termination of financing by our customer group as of August 26, 2005, the Company may be forced to permanently shut-down its Quincy, Michigan operation. Should the termination of financing occur, the Company's operation at 854 E. Chicago Road, Quincy, Michigan will be closed and all 246 employees working there will be permanently laid off. Employees are not represented by a labor organization and have no bumping rights.

After experiencing financial difficulties in late 2004 and early 2005, Crotty Corporation has continued in business for the past several months with financial assistance from a group of its customers. Our present financing arrangement ends on August 26, 2005 and although we have been working diligently to extend that arrangement, we have not received any assurances from our customer group that they will continue to finance our operations beyond that date. Should our financing be discontinued, the Company will begin winding down operations with an expected closing date sometime in September. Attached is a list of employees and job titles affected by this.

We apologize for not providing you with additional notice, but our customers' discontinuation of financing was not reasonably foreseeable. In addition, the Company was operating under a new management team from June 8, 2005 to August 15, 2005, and the present management team was not aware of the severity of the situation until resuming control on August 16, 2005. The Company has also been working diligently to obtain financing and additional business from present and prospective customers through various initiatives aimed at minority-owned businesses and we believed that giving any type of prior WARN notice would have precluded us from obtaining that business or financing. The departure of the new management team has removed any chance that we would be awarded any business or financing through those initiatives.

Crotty Corporation regrets that this action may become necessary. Should it become necessary, the Company will do its best to ensure an orderly shut down of operations. If you have any questions, please contact me at (517) 639-8787 ext. 245.

Respectfully,

Willard Crotty III

President

Crotty Corporation

<u>JOB TITLE</u>	<u>TOTAL</u>
Assembly	213
General Office	4
Warehouse/Shipping	6
Quality	4
Maintenance	4
Management/Supervisor	8
Indirect Labor	4
Purchasing	1
Customer Service	2

TOTAL 246